

services in the promotion are goods and/or services offered by the subscriber), for presentation by said subscriber to a consumer over a communication network. Claim 22 sets forth a method that presents to a consumer over a communication network a promotion tailored to the consumer's personal preferences of particular goods and/or services offered by a subscriber having a site on the network. To the contrary, neither Gardenswartz nor Roth disclose the use of a tailored promotion apparatus or method for presenting a tailored promotion of goods and/or services offered by a subscriber to a consumer who is accessing the subscriber's website.

Further, claim 1 requires that the electronic commerce apparatus have a database of goods and/or service promotion data pertaining to goods and/or services offered by subscribers to said apparatus, wherein the apparatus receives from a particular subscriber network site consumer identifier information associated with a consumer requesting access to that subscriber network site, uses the stored activity information in response to the received identifier information and in conjunction with the promotion data in the database to create a tailored promotion of goods and/or services offered by said particular subscriber network site, and transmits the tailored promotion to the particular subscriber network site for presentation to the consumer. Claim 22 recites analogous method steps.

Thus, according to the invention as disclosed and claimed, subscribing network sites (i.e. those sites for which tailored promotions are created and transmitted, wherein the tailored promotions relate to goods and/or services offered by the subscribers) send to the apparatus consumer identifier information of consumers requesting network site access. The apparatus then creates a tailored promotion by retrieving consumer activity information associated with the transmitted consumer identifier information and selecting a promotion of goods and/or services offered by the requesting subscriber network site from a promotions database in accordance with the retrieved activity information.

As explained in the specification at pages 8 and 9, according to the claimed invention a subscriber network site thus may use the electronic commerce apparatus of the invention to generate and present promotions to visitors of the subscriber's website, of goods and/or services offered by the subscriber's website tailored to the preferences

of the visitor as a direct method of increasing sales. The present invention as claimed reflects the disclosure.

While the Examiner has interpreted the terms "subscriber" and "subscriber network site" to correspond to any website that displays a targeted advertisement, such interpretation clearly does not correspond to the meaning of such terms as used in the claims. According to the plain language of the claims, the subscribers to the apparatus are merchants offering goods and/or services to consumers, data pertaining to which are stored in database of the apparatus. The apparatus then generates a tailored promotion of such goods and/or services for use by the subscriber when the subscriber sends to the apparatus identifying information of a consumer accessing the subscriber's website. Thus, according to the plain language of the claims, the subscriber uses the apparatus to generate tailored promotions of the subscriber's offered goods and/or services to consumers accessing the subscriber's website, based on accumulated on-line consumer activity information collected by the apparatus.

Neither Gardenswartz, Roth, nor Travis disclose such an apparatus or method for generating tailored promotions. Roth merely discloses a bidding system for placing advertisers' ads in web pages being viewed by a user. Travis discloses a system for allowing groups of retailers to provide a commonly themed shopping experience including product components from different vendors. To reiterate, Gardenswartz teaches the use of consumers' offline purchase histories as sent to a database to send targeted advertisements to the consumers' computers. There is no online interactivity at all in Gardenswartz. While Gardenswartz mentions use of online activity in the Background of the Invention, Gardenswartz teaches that use of such activity is disadvantageous. See col. 2, ll. 43-48. Thus, those skilled in the art presented with the Gardenswartz reference would be led away from using such online activity.

It is well-established that a prior art reference must be considered as a whole, and portions arguing against or teaching away from the claimed invention must be considered. Bausch & Lomb, Inc. v. Barnes-Hind/Hydrocurve, Inc., 796 F.2d 443, 230 USPQ 416 (Fed. Cir. 1986). A prior art reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from

the path that was taken by the applicant. In re Gurley, 27 F.3d 551, 31 USPQ2d 1130 (Fed. Cir. 1994).

Thus, it is incorrect to state that Gardenswartz "teaches" in the Background of the Invention the use of online activity to develop targeted ads, when the rejection is based on a combination of Gardenswartz with additional prior art. While the concept of "teaching away" may not apply to anticipation rejections under 35 U.S.C. § 102, Celeritas Techs., Ltd. v. Rockwell, 150 F.3d 1354, 47 USPQ2d 1516 (Fed. Cir. 1998), when a rejection is based on a proposed combination of prior art under an obviousness theory, the entire disclosure of the prior art must be considered as a whole for what it suggests, and what it discourages to those of ordinary skill in the art. In re Haruna, 249 F.3d 1327, 58 USPQ2d 1517 (Fed. Cir. 2001). Here, Gardenswartz clearly teaches away from the claimed invention such that no one of ordinary skill in the art having read Gardenswartz would have been led to make the combination proposed in the Office action.

Consequently, no combination of Gardenswartz with either or both of Roth or Travis would result in the claimed invention under 35 U.S.C. § 103.

Conclusion

In view of the foregoing, favorable reconsideration of this application, withdrawal of the outstanding grounds of rejection, and the issuance of a Notice of Allowance are earnestly solicited. In the event that the Examiner may be inclined to continue to reject

this application, the undersigned requests a personal interview to discuss any remaining issues before the issuance of any further Office action.

Please charge any fee or credit any overpayment pursuant to 37 CFR 1.16 or 1.17 to Deposit Account No. 02-2135.

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